Colombian Trade Minister Luis Plata last week got little encouragement from House Ways and Means Committee Chairman Sander Levin (D-MI) that he was open to working toward the congressional consideration of a pending U.S.-Colombia free trade agreement, according to informed sources.

Levin, during the April 22 meeting, told Plata that Colombia has “not done anything [in the labor area] these past four years” and “there was no progress at all,” according to a Colombian government official. Levin said he still sees problems with workers’ freedom of association, collective bargaining and the right to strike, the official said.

“Clearly, the conversation with Mr. Levin did not point to anything happening with the free trade agreement in the short term,” a Colombian official said. The official said the meeting was “disappointing” in that Levin did not recognize the steps that Colombia has taken on labor rights and which he witnessed during his trips to Colombia.

In the meeting, Plata responded with a “very strong” statement expressing his disagreement with Levin’s view point, according to the official. Plata made the case that there had been a drastic reduction in the killings of unionists and cited a February International Labor Organization (ILO) report showing Colombian improvements made in combating violence against trade unionists and the adoption of a law that increases sentencing for killing, kidnapping or threatening unionists.

Plata described his meeting with Levin in similar terms to a briefing he gave afterwards for the Latin America Trade Coalition, according to informed sources. One business source speculated this could mean Levin is moving away from an approach requiring Colombia to meet a certain number of benchmarks before Congress could consider the FTA and to a position that the agreement ultimately cannot be fixed.

If that speculation were true, it would contradict Levin’s public stance in an April 19 speech to the National Press Club in which he said the pending FTAs the U.S. has signed with Korea, Colombia and Panama contain some “important positives” for international trade, but have “flaws” that “now need to be fixed.”

In the Press Club speech, Levin spoke about problems with “dummy” cooperatives on sugar plantations, which he said means workers are not able to be a “major part” of the economy. A U.S. union source said Levin’s complaint refers to a 2008 law, which the Colombian government says requires cooperatives to provide workers with social security coverage, such as health and retirement benefits. This is to eliminate an “inequality between cooperative members and regular employees, according to a fact sheet distributed during the Plata visit.
But the union source said that these benefits are for employees that are considered associates under a cooperative, which also means they are excluded from the protections of the Colombian labor code.

He cited that as an example of loopholes in Colombian labor law reform laws. Another loophole, he said, is in a law passed in July 2008, that gives the executive branch the ability to intervene in strikes even though it gives the judiciary the task of declaring the legality of a strike.

Plata got a somewhat more encouraging message on the FTA in his meetings with U.S. Trade Representative Ron Kirk and Undersecretary of State Robert Hormats, who gave him assurances that the administration considers the FTA an important deal that will eventually come to a congressional vote, a Colombian official said. But Kirk offered no timeline for when the FTA will be able to move forward, according to the official.

The source said that these administration officials signaled that challenges on Capitol Hill were preventing the administration from moving forward with the FTA. But one FTA supporter criticized the administration for failing to reach out to Democrats in Congress to even discuss the benefits of trade. The source said that the administration is not working to counteract the efforts of Rep. Mike Michaud (D-ME) and the House Trade Working Group working for a fundamentally different approach to trade policy.

Without laying such groundwork, there is no way the necessary votes will be there to pass any FTA if it were possible to bring up such an agreement in a potential lame-duck session, the source said. But the source emphasized that talk of a possible lame-duck vote on an FTA are more musings than anything else.

Kirk did not offer any indication of what benchmarks the U.S. would want Colombia to meet in order for the FTA to go forward, but spoke of continued work in inter-agency meetings with the State and Labor departments, the official said. The official indicated these meetings seemed to be a continuation of the same effort started a year ago, and other sources have indicated that there has been no outreach from the administration to Colombian officials to work with them on additional labor rights improvements.

Plata delivered his message to Kirk and Levin that failure to ratify the FTA would mean a continued market share loss in Colombia for agricultural commodities like wheat, corn and soybean meal. The U.S. remains the top supplier of wheat and corn to Colombia but has seen its market share decrease starting in 2008 as Colombia started buying from Mercosur countries with whom it has an FTA (Inside U.S. Trade, April 23, 2010)

Plata also made the case that violence against unionists is down and the government is actively fighting impunity through judicial reforms that have added prosecutors, judges and measures to cut down court time, a Colombian official said.

-- Adam Behsud